

## Counting and Claiming

### Essential Features of Meal Count/Collection Procedures

Federal reimbursement is provided for each meal (free, reduced-price, and paid) that meets program requirements and is served to an eligible student. To obtain this reimbursement, school personnel must accurately count, record, and claim the number of meals actually served to students by category, i.e., paid, reduced-price, and free. Additionally, the number of meals served free and reduced-price and claimed for reimbursement must have adequate documentation on file to support the claim.

To create a model meal count/collection procedure that meets the needs of every school participating in the National School Lunch Program (NSLP) is not possible. However, it is possible to cite the essential features or criteria that all systems must have to operate effectively. How each school meets each criterion can vary widely.

### Medium of Exchange

The medium of exchange includes any type of ticket, token, ID, name, or number that is issued to the students for obtaining a meal. The system in place that connects the application for free and reduced-price meals to the medium of exchange should provide for updates on a daily basis (noting transfers, withdrawals, and changes in status due to verification, etc.) The meal count/collection system selected must ensure that the medium of exchange prevents overt identification of free and reduced-price meal recipients in the coding, distribution, and collection process. Table 1 Section 11 lists specific advantages/disadvantages that may be considered by the School Food Authority (SFA) as they decide on the medium of exchange to be issued to students.

### Suggested Coding

When determining how the medium of exchange will be coded, consider the coding methods appearing in Table 2 Section 11.

**Table 2 Section 11 Coding Methods**

Method	Examples
Coding series	1 through 1,999 free/2000 through 3,999 reduced/4,000 through 5,999 paid
Coding by student name	Number ending in 0 or in an odd or even number
Coding by variations	Variations in signatures, placement of date or ticket distributor, such as Mary Smith, Mary J. Smith, M. J. Smith
Coding by subtle differences	Differences in printing such as capital letter, period, spacing of a line, or differences in underlining
Coding by number of digits	Four digits for free, five digits for reduced-price, or six digits for paid
Computer-coded student ID numbers	ID numbers assigned by the school and identified in the approval process as free, reduced-price, or paid

**Table 1 Section 11 Medium of Exchange**

<b>System</b>	<b>Advantages</b>	<b>Disadvantages</b>
<b>Verbal Identifier</b>	<p>It cannot be lost, stolen, or destroyed.</p> <p>The documentation of meal count is produced during meal service as names/ numbers are checked off on a roster or number sheet. If used with a number sheet, this may be a fast method.</p>	<p>This system can be used by another student or twice by the same student, if there is more than one serving line.</p> <p>Coded roster sheet is time consuming for cashiers using manual systems, except in schools where students arrive in the cafeteria by class. Students may forget their numbers, thus slowing down the line.</p>
<b>Coded Ticket/Token</b>	<p>When presented or collected at point of service, this system provides a means of physically counting meals by category.</p> <p>When used in small-to-medium schools, counts by category can be completed quickly after the meal service.</p>	<p>It can be destroyed, transferred, lost, stolen, or sold.</p> <p>In large schools, it is too cumbersome to collect and count all tickets or tokens by category after the meal service.</p> <p>If not coded properly, it may result in overt identification.</p>
<b>Coded ID Cards</b>	<p>It is not easily transferred if a photo is on the card.</p> <p>It can be incorporated as function of the student ID card, which may be a savings to SFA.</p>	<p>It can be lost, stolen, or destroyed.</p> <p>Students may be able to use it twice if there is more than one serving line.</p> <p>It may involve a high replacement cost.</p>
<b>Automated Tab</b>	<p>It saves time because the count is taken simultaneously with collection of tickets.</p>	<p>It can be destroyed, lost, stolen, or transferred.</p>
<b>Coded Bar Line</b>	<p>It provides an accurate count and saves time; compiles the meal count by category at the same time the students are counted.</p> <p>It prevents overt identification on the line.</p> <p>This system provides automated reports.</p>	<p>It can be lost, destroyed, or transferred.</p> <p>Start up and operating costs may be high.</p> <p>If there is more than one service line, there may be two meals claimed if the electronic machines are not linked.</p>
<b>Personal Identifier, i.e., PIN or Imaging</b>	<p>It cannot be lost, stolen, or destroyed.</p> <p>It provides an accurate count and saves time; compiles the meal count by category at the same time the students are counted.</p> <p>It prevents overt identification on the line.</p> <p>This system provides automated reports.</p>	<p>Privacy issues may be a concern.</p> <p>Start up and operating costs may be high.</p>

Additional suggestions include changing the medium of exchange coding system yearly to prevent the use of a previous year's tickets and tokens. Whenever possible, use a code other than a single-symbol code such as A, B, C; X, Y, Z; or 1, 2, 3. Single-symbol codes are most easily recognized by students.

## Distribution

All meal count/collection systems must include a method for prepayment and/or charging. Charging is seldom recommended. The provision allowing for prepayment (and/or post billing/charging) should make free and reduced-price meal recipients appear as students who have prepaid full price.

The option of prepayment and/or post billing of meals should be routinely publicized. This may be done by using methods such as posting signs, making public announcements, including the information in printed material, etc. Some SFAs offer incentives for prepayment options when cash is also accepted on the serving line.

When distributing the medium of exchange, use a common location and time where all students (free, prepaid reduced-price, and prepaid full-price) are required to obtain their tickets, tokens, etc. Allow adequate time and area for purchase or pick-up of the medium of exchange to prevent overt identification.

## Collection

Use common serving areas, dining areas, and serving times for all students during meal service. Use the same procedures for free, prepaid reduced-price, and prepaid full-price meals to prevent overt identification when collecting the medium of exchange.

When students pay cash on the line for reduced-price and/or full-price meals, they may be counted in a different manner than those students who prepay or charge.

## Important Point!

Color coding the medium of exchange by category and single-symbol coding using obvious identifiers—such as F, R, P—are prohibited due to overt identification concerns.

## Point of Service

A point of service meal count defined by regulations means “that point in the food service operation when a determination can accurately be made that a reimbursable free, reduced-price, or paid lunch and/or breakfast has been served to an eligible child.” The end of the serving line is considered the “point of service”.

## Reimbursable Meal

What is a reimbursable meal? This depends on the menu planning system selected by each school. For Enhanced Food Based and Traditional Food Based systems, it is a meal that offers all of the required meal pattern food items in the required serving sizes prior to the point of service. The student then must select the required number of food items in accordance with the SFA's policy regarding offer versus serve. Each cashier or monitor must be knowledgeable and skilled in recognizing student selections that may be counted and claimed as reimbursable.

For NuMenus and Assisted NuMenus, a reimbursable meal consists of a minimum of three menu items: entree, fluid milk served as a beverage, and side dishes, offered prior to the point of service. The student then must select the required food items in accordance with the SFA's policy regarding offer versus serve.

## Important Point!

Meal counts taken in the classroom, attendance counts, the number of tickets sold/issued, head counts, tray counts, and counts obtained by “backing into” the numbers of lunches or breakfasts served are not point of service counts and are, therefore, nonallowable.

If certain lines are not made available to all students, including those receiving free or reduced-price meals, meals served on those lines may not be claimed. When planning for special functions, parties, field trips, etc., the food service department should be involved in the process to ensure that students are not overtly identified or denied meals and that meals claimed for reimbursement meet requirements.

## Off-site Meal Consumption

National School Lunch Program authorizing legislation and program regulations clearly intend that meals reimbursed under the programs are to be served and consumed on school or school-related premises. Therefore, meals taken off-site are not reimbursable. This would include meals given to students to eat on the bus, take home with them due to early dismissal, etc. Meals consumed on school-sponsored, supervised field trips may be reimbursed since the meals are prepared by the school food service department and served and consumed as part of a school-related function. A list, roster, or other method of claiming the meals by category should be used to record counts. Meals served during such field trips should be subject to especially stringent sanitary and precautionary measures to avoid food contamination and spoilage.

## Equal Access For All Students

When a school offers a selection of more than one type of meal that is claimed for reimbursement or a variety of foods and fluid milk to provide choice within the meal requirements, it must offer the same selection to all students regardless of whether the students are eligible for free, reduced-price, or pay the full price for meals set by the school. If certain items are not made available to all students, including those receiving free or reduced-price meals, those items may not be counted toward reimbursable meals.

Meals served on an all-cash line may never be claimed for reimbursement, even though the same items are offered on another serving line. An all-cash line does not prevent overt identification.

**Table 3 Section 11 Areas Affected by Meal Count System**

<b>Meal Accountability</b>	Point of service capabilities Prevention of overt identification	Student eligibility recorded and controlled Reimbursable meals served/counted
<b>Administrative Considerations</b>	Edits and internal checks Reports, personnel/training	Account balances maintenance Financial analysis (budget/sales)
<b>Cost of Implementation</b>	Daily operations Personnel training (cost/time) Hardware	Software program Support/updating processes Maintenance/repair (registers, computer terminals, etc.)

## Important Point!

For visiting students, reimbursable meals served to eligible students may be claimed by the host SFA or the sending SFA, but must not be claimed by both SFAs.

### Alternative Schools

SFAs may participate in some type of alternative school or campus site that includes several SFAs. Procedures for maintaining applications and the counting and claiming of reimbursable meals for this type of school must be established.

One accepted procedure is for the “host SFA” (physical site of the school campus) to keep copies of the students’ applications, direct certification eligibility, or a roster with each students’ eligibility on file from the “sending SFA.” The host SFA, which is providing meal service, may claim reimbursement for eligible students in the proper category. In some situations a student’s attendance in such a school may be short-term (a few days) or long-term (entire school year). Adjustments and notations should be entered on the meal accountability records to justify the claim when applicable and to document current numbers of approved students. If the SFA wants to use a different procedure than the ones mentioned above, contact the State Office. For situations involving visiting students because of special functions (special programs, etc.) see Question 1 under “Questions and Answers”.

### Choosing a System

Meal count/collection systems should be chosen based on the degree of meal accountability, needs, priorities, and available resources of the school or SFA. Several factors should be considered before making a decision. The system chosen will depend on the size of the school(s), the number of meals served, the number of students partici-

pating in the program, the percentage of students receiving free and reduced-price meal benefits, the grade levels involved (high school or elementary), the cost of implementing and maintaining a collection procedure, and the staff resources available for implementing and maintaining the collection procedure(s). The type of system implemented will determine how much these factors are involved in the actual meal count process. The meal count system is an integral part of the food service program, so it is important to review all affected areas as shown in Table 3 Section 11.

Also, consider these factors to help determine if a manual or an automated system would be best.

- cost
- size and characteristics of the school and SFA
- number of personnel needed to operate the system
- amount of time needed to operate the system during the meal service operation
- meal counts and reports available through the system

## Important Point!

Whatever system is chosen, it must provide an accurate **point of service** count:

- of reimbursable meals served (one per eligible student per day)
- by category (free, reduced-price, or paid)
- each day
- without overtly identifying students’ eligibility categories.

## ***Important Point!***

Rosters or sign-in sheets for snacks claimed for reimbursement through the Afterschool Snack Program must be maintained. Records must reflect the actual snacks served and to whom they are served each day. The accountability system used must also ensure that no more than one snack per student per day is claimed. Thus written records of who receives each snack must be kept to support claims. More information on the Afterschool Snack Program may be found in Section 16.

If an automated system is chosen, the SFA must have a backup counting system in case of mechanical failure of the automated equipment. The process of system selection is very complex and unique to the individual school or SFA. For assistance in defining your needs and identifying a system that will meet them effectively, contact the State Office.

### **Commonly Used Collection Procedures/Systems**

#### **Verbal Identifier/Cashier List System**

Using this method, all students or students prepaying full price plus students receiving free or reduced-price meal benefits give a verbal identifier such as a name or number to the cashier at the point of service.

The cashier then identifies the category of the meal and records it in one of several ways. Examples follow.

If the student's name is used as the identifier, a list is compiled that includes the student's name and category, either alphabetically or by classroom. The cashier checks the name of individual students as they pass through the serving line. The list is used

for accounting purposes. A teacher's grade book at the point of service may be used for this purpose.

The same form used to count meals served may also be used to record meals for which students or parents have prepaid. This may be done by placing diagonal (/) lines in or highlighting the boxes of the days for which the meals have been prepaid. If this is done, do the same to the boxes beside the names of students receiving free meal benefits to make them appear as though they have prepaid.

If numbers are used as the identifier, a number list or an electronic cash register may be used to document that the student has received a reimbursable meal. The cashier or electronic cash register counts the meals by category. The number list or cash register reading is used for accounting purposes. When using the numerical identifier method, the number list is used to record and count reimbursable meals served and claimed. The checklist is used to track individual students' prepaid meals served and the balance of any remaining prepaid meals. As long as tracking of prepaid meals is done after the serving period (not at the time of service), it is not necessary to include any names other than those of students who have prepaid for full-price or reduced-price meals.

#### **Coded Tickets/Tokens**

Using this method, all students or students who prepay plus those receiving free or reduced-price meal benefits receive a tangible object that is later redeemed for a reimbursable meal.

Tickets or tokens may be issued or sold in the cafeteria, principal's office, or classroom, etc. They may be issued or sold in advance of the meal service on a daily, weekly, or monthly basis. Students receiving free and reduced-price meal benefits must be issued a ticket or token identical to the one issued to students who prepay, with the exception of the code used by the person making the meal count determination to identify the category.

Whatever method of coding is used, care should be taken to prevent overt identification.

Examples of use of tickets and tokens in the meal count:

- Each student's ticket or token is examined as he receives a meal. A tally is made or a counting machine is pressed in a discreet manner for each meal served, by category.
- Each student's ticket or token is collected as the student receives a meal; these are later counted by category, and unexpired tickets are returned to the students to use the following meal service.
- The tickets have a coded tear-off stub for each lunch or breakfast. A stub is collected as each student receives a meal; the stubs are later counted by category. In an automated tab ticket system, the meal count by category is made simultaneously with the collection of the ticket.

- Each student is issued a coded bar line card that is scanned electronically. The meal count by category is made simultaneously with the scanning of the card.
- Each student is issued a coded number that is entered on an electronic key pad. The meal count by category is made simultaneously as the number is entered

Prototype forms for rosters follow. Full size forms for printing may be found in Section 27.

- Sample Roster: Breakfast
- Sample Roster: Lunch
- Sample Number Sheet

[illegible][illegible]

Form 3 Section 11: Sample Number Sheet

Date: \_\_\_\_\_  
School: \_\_\_\_\_  
Signature: \_\_\_\_\_

	M	T	W	T	F		M	T	W	T	F		M	T	W	T	F		M	T	W	T	F	
3501						3541						3601						3701						
3502						3542						3602						3702						
3503						3543						3603						3703						
3504						3544						3604						3704						
3505						3545						3605						3705						
3506						3546						3606						3706						
3507						3547						3607						3707						
3508						3548						3608						3708						
3509						3549						3609						3709						
3510						3550						3610						3710						
3511						3551						3611						3711						
3512						3552						3612						3712						
3513						3553						3613						3713						
3514						3554						3614						3714						
3515						3555						3615						3715						
3516						3556						3616						3716						
3517						3557						3617						3717						
3518						3558						3618						3718						
3519						3559						3619						3719						
3520						3560						3620						3720						
3521						3561						3621						3721						
3522						3562						3622						3722						
3523						3563						3623						3723						
3524						3564						3624						3724						
3525						3565						3625						3725						
3526						3566						3626						3726						
3527						3567						3627						3727						
3528						3568						3628						3728						
3529						3569						3629						3729						
3530						3570						3630						3730						
3531						3571						3631						3731						
3532						3572						3632						3732						
3533						3573						3633						3733						
3534						3574						3634						3734						
3535						3575						3635						3735						
3536						3576						3636						3736						
3537						3577						3637						3737						
3538						3578						3638						3738						
3539						3579						3639						3739						
3540						3580						3640						3740						
																								Total:

Meal count systems that are not acceptable because they do not provide a daily count at the point of service of reimbursable meals, by category, include:

Using the number of students in attendance as a meal count. This does not provide a count of meals actually served and served meals are the only meals that may be claimed for reimbursement.

Counting the number of trays or entrees used during the meal service to obtain the meal count. This does not provide an accurate count of reimbursable meals—only of trays and entrees. There are no controls to ensure that trays contain all the necessary food items, that trays were not stuck together, that each entree was part of a complete meal, etc. Each meal must be monitored to ensure that all the meal requirements have been met.

When using a highlighter pen to track/record meal data, remember that the same color must be used for free as is used for prepaid reduced-price and prepaid full-price meals to prevent overt identification.

Counting the number of students in the class who indicate that they intend to eat a meal (prior to the meal service itself). Students “intending” to eat may not actually do so. The count taken prior to the meal service will not reflect those changes and the count of meals served may not be accurate. Also, there are no controls at the point of service to ensure that the meals counted are actually reimbursable.

The only place an accurate count of reimbursable meals can be made is at the point where it can be determined that the meals are actually reimbursable. The end of the serving line is considered the "point of service".

When students either prepay or charge their meals, these meals must be counted on the day that the student is served the meal, not on the day that the prepaid meal was purchased or the charged meal was repaid.

Meals served to ineligible students, adults or visitors are claimed for reimbursement.

- **Second meals claimed for reimbursement**

Second meals served to students in any category are claimed for reimbursement. SFAs can claim only one meal, per eligible student, per day.

- **Cash converted to meals**

Using cash totals to determine the number of meals served. This does not provide a count of reimbursable meals served. Also, this allows cash collection errors to translate into meal count errors.

- **A la carte/special sales items claimed for reimbursement**

Food items sold independently of the reimbursable meal and not priced as a unit are claimed for reimbursement.

- **Category/cash back-out system**

One or more of the meal categories are calculated by subtracting the number of meals of one or more meal categories (free, reduced-price, or paid) from the total meal count to get a count of another meal category.

- **Delivery counts of meals produced off-site**

The number of meals delivered to a school is not necessarily the number of meals that were actually served.

## ***Important Point!***

The SFA representative who submits each claim is responsible for reviewing and analyzing meal counts to ensure the accuracy of the claim.

- **Visual identification without backup**

Eligibility is determined based only on the cashier's or counter's visual identification and knowledge of the students' eligibility categories.

- **Any of the acceptable example systems described that are not implemented properly**

Even if the system is approved on paper, all necessary procedures must be followed in order for the meal count system to be acceptable.

All appropriate staff should be adequately trained in their responsibilities.

## ***Important Point!***

Regulations require that reimbursement is claimed for only one breakfast and one lunch per eligible student per day. The meal must be determined to be reimbursable and must be counted by category at the point of service.

## **School Reports**

The numbers of reimbursable meals served daily, by category, to eligible students are recorded and reported by school food service personnel to the SFA. The particular recording method used must ensure that correct counts by category are reported in a way that can be easily read, edited, and consolidated into an accurate monthly claim for reimbursement.

Any report format used must provide a complete record of the day's meal service so that the required information can be transferred to the SFA report.

## Claim for Reimbursement

School meal counts, by category, are submitted to the SFA level on a daily, weekly, or monthly basis. The counts from all schools are combined to generate a monthly claim for reimbursement. This is called consolidating the claim. After the claims are consolidated, they are submitted by the SFA to the State Office. The State Office is responsible for paying the SFA for reimbursable meals claimed as served by category during the claiming period.

Reimbursement rates are different for each category of meal benefit (free, reduced-price, and paid) and for each type of meal served (lunch and breakfast). Thus, accurately counting, recording, and consolidating the number of meals served by category is the only way a claim for reimbursement can be properly submitted and the SFA be correctly paid for the meals served.

Note: See Section 8, Required Records, for additional information.

## Meal Accountability and the Meal Count/Collection Procedure

Federal regulations referred to as “Meal Accountability” were developed to improve the accuracy and accountability of reimbursement claims by clarifying schools’ and SFAs’ meal counting and claiming requirements.

Whatever system or procedure is used for counting and claiming meals, the SFA is responsible for ensuring the reimbursement claim is based on accurate meal counts by category. A school or SFA can never claim more free, reduced-price, or paid meals than are served to eligible children. If claims are in excess of the number of approved free, reduced-price, paid, or total number of enrolled students, the SFA will be required to repay any overclaims. Proper implementation of the Meal Accountability regulations, which include edit checks and on-site reviews, will ensure an accurate system and prevent overclaims.

### Become familiar with these factors before performing edit checks:

- ADA - Average daily attendance (number),
- ADP - Average daily participation (%),
- Attendance factor - to obtain, divide the ADA by the total enrollment. This can be done on a school level, SFA level or the State factor may be used by the SFA,
- Daily number of meals served by category,
- Number of students approved free,
- Number of students approved reduced, and
- Any other enrollment or membership data useful in identifying discrepancies, such as:
  - Maximum allowable free meals equal to the number of approved free multiplied by the number of operating days, and
  - Maximum allowable reduced-price meals equal to the number of approved reduced multiplied by the number of operating days.

## Meal Accountability Edit Checks

Prior to the submission of a monthly claim for reimbursement, the SFA shall compare each school's daily claim against data that will assist in the identification and correction of claims for reimbursement in excess of the number of reimbursable free, reduced-price, and paid lunches actually served that day to children eligible for such lunches. Such data shall, at a minimum, include the number of children currently approved for free and reduced-price lunches in that school. SFAs shall also compare claims against any other data available to the SFA, such as a school's average daily attendance, enrollment, or membership data.

Using the daily Record of Participation & Income Form and the Claims Review Process Forms in Section 27, or a similar locally-developed form, perform the following edit checks for each school site:

### Step 1:

Compare the daily number of free and reduced-price lunches claimed against the number of children currently approved for free and reduced-price meals. Free and reduced-price meals may not be claimed in excess of the number of students approved for such benefits.

### Step 2:

Compare the daily number of paid, reduced-price, and free lunches claimed against the number of students eligible, times the attendance factor. Whenever the number of paid, reduced-price, or free meals claimed exceed the estimated percent attendance, attendance records should be evaluated to determine the maximum number of students by category that can be claimed. Paid, reduced-price, and free meals should not be claimed in excess of the attendance factor unless the school can document through other means that its meal counts are correct. Document any changes made to the daily count.

The personnel performing the edit checks should be aware of other indications of possible problems:

- Patterns of numbers, repetition of numbers or constant counts by category,

- Identical counts for breakfast and lunch,
- 100 percent participation (and % greater than attendance factor), and
- Category count exceeding number of students eligible for free and reduced-price meals.

Edit checks should be performed each month on a daily basis. Adjustments or modifications may be done on a weekly basis. When discrepancies are found or potential problems are suspected, they should be resolved through further investigation. Any findings should be documented (with attendance records, etc.) and kept with the school's daily record of meals claimed. Edit checks or the claims review process must be a daily comparison for each participating school, but it may be completed on a daily or monthly basis by the school or the SFA.

## Edit Check On-Site Review

The Meal Accountability regulations require that each SFA shall perform an on-site review of the meal counting and recording procedures in each school prior to February 1 of each school year.

This review should ensure, at a minimum, that:

- the counting system is consistent with the SFA's policy statement and SNACS profile information as approved by the State Office,
- the counting system, as implemented, yields the actual number of reimbursable free, reduced-price, and paid lunches served for each day of operation,
- the counting system prevents overt identification of students receiving free and reduced-price lunches, and
- the system provides for adequate monitoring to ensure that only reimbursable meals are counted.

If the review discloses problems with the school's meal counting or claiming procedures, the SFA shall ensure that the school develops and imple-

ments a corrective action plan. The plan should be in writing and developed jointly by the school food service manager and the SFA food service supervisor, director or whoever performed the review. It should detail the corrective action necessary to bring the feeding site into compliance and assign responsibility for implementing the plan. The SFA shall conduct a follow-up on-site review within 45 days to determine that the corrective action resolved the problems.

Note: The On-Site School Review form is shown in Section 8, full size form for printing in Section 27. Duplicate this form for each feeding site and keep current on-site school reviews in SFA files with other current documentation.

## **Questions Answers**

1. Q: May reimbursable meals served to students visiting from another SFA be claimed by the host SFA?

A: Yes. The host SFA may claim reimbursement for meals served to visiting students. The students' meals may be claimed by category for reimbursement if the visiting SFA provides the host SFA with each student's eligibility determination. If the visiting SFA does not provide this information or if they are from an SFA that does not participate in the National School Lunch Program, the host SFA may claim reimbursement for the meals served to the students in the paid category. A notation should be made on the daily participation records to justify the excessive claim when applicable.

2. Q: How should SFAs claim meals served to student workers?

A: All meals served to student workers should be claimed based on their eligibility category. The count must be taken at the point of service to assure a complete meal is served.